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THE RESOURCES OF UNITED STATES AND THEIR RELATION TO OPPORTUNITY

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National prosperity to be enduring must be founded upon natural wealth. Resources create opportunity and by giving a chance to an individual to enrich himself also promote the welfare of the country under whose flag the individual lives. Whether opportunities are rare or abundant depends upon the size of the country in which a man dwells, the number of other persons competing for the use of the same area, and the richness or poverty of natural supplies that the region affords. Opportunity may be measured by the relation between the number of people in a given locality and the free gifts that nature provides, granting of course that the residents have free access to the resources. Judged by the interrelations between area, population and resource where does the United States stand among other nations?

A large country is more apt to give a man a chance to rise than a small one, unless the major part of the large territory is too hot, too cold, or too dry to warrant development. The extension of a land over zones unlike in climate, topography and resource is a blessing brought about by size. This condition assures opportunity through variety. The people on the mountain cannot furnish the things that are easily won from the plain. The temperate zone does not have all the products of the tropics. If a nation is made up of mountain and plain, cold and hot regions, its inhabitants will be engaged in different occupations. Therefore by buying the things which it has not, each section enriches the other. The opportunity for home trade enlarges the occupations of agriculture, transportation and manufacture. The mere size of our country then is a factor in its favor. Florida differs from Massachusetts, southern California is unlike northern California, Kansas City does not resemble Philadelphia. As a consequence Florida can raise oranges for Massachusetts. Southern California is enabled to send lemons to the northern part of the same state. Kansas City

ships meat to Philadelphia. On the other hand Massachusetts may sell watches, pens, pins and machinery to Florida. Northern California supplies lumber to her southern sister. Philadelphia sells carpets and stockings to Kansas City. Diversity in environment permits and produces variety in occupation, and gives rise to a large internal domestic trade. The transportation necessary to haul products from one section to another creates an additional group of occupations and opportunities. There are as many people employed by the railroads of our country as there are men, women and children in the city of Philadelphia. The total number of railroad employees is more than a million and a half. There is only one railroad, the New York, New Haven and Hartford, whose receipts from passenger traffic approach the amount derived from freight. The volume of freight arises from the difference in resources in the various parts of our country. United States is fortunate in being big.

Great Britain, France and Germany all possess internal variety. Mountain and plain present contrasts in each. But none of these nations has the extremes that are presented in the United States. This fact can be more easily seen by a glance at chart I. Whereas France and Germany extend north and south through about six and a half degrees and the United Kingdom reaches ten, our country stretches southward for twenty-five degrees. It must be admitted that in Europe greater ranges in climate are found from west to east. Eastward the modifying influence of the ocean is lost, so summers are warmer and winters colder. However, no European nation covers sufficient area from west to east to feel the extremes of both maritime and continental climate. From north to south the countries are too small to gain distinctive contrasts. Their climates are more even than that of the United States. As a consequence those differences of resource which are due to modification of weather are found more strikingly in United States than in the leading continental nations.

Mere size alone is not a sufficient gauge of the opportunities a region may afford. The number of people dwelling within the country must also be taken into consideration. A small area rich in resources but with a scanty population would grant more chances to gain wealth than a larger domain more generously endowed, but with a larger proportional population pressing upon the natural

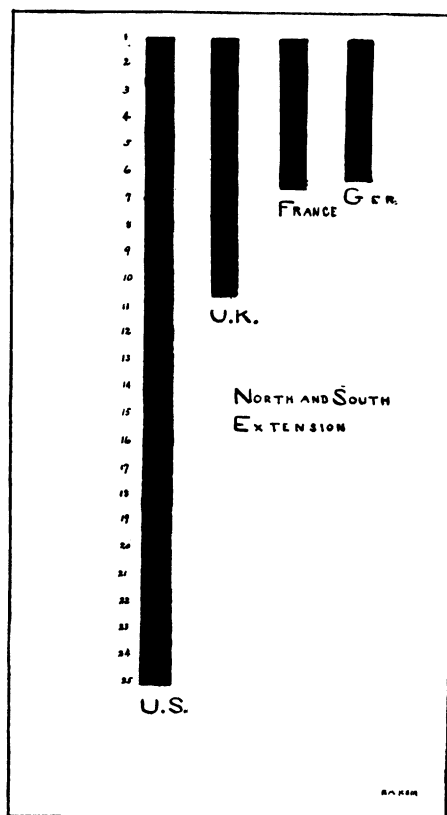


CHART I

gifts. This can be shown by an illustration. In a small farm there might be sixty acres, whereas in a larger one the fields totaled one hundred and sixty. If only three people were dependent upon the smaller place while the larger one was forced to supply the needs of ten then it is clear that the proportion of land to persons is greater in the smaller estate. In like manner a statement of the area of a country or an estimate of the tonnage of its resources means little unless the figures of population are also known, and a proportion is struck between the number of men and the amount of available wealth. The highest degree of opportunity is attained in a large wealthy country with a scanty population. To revert to our illustration: if instead of ten there were four people to be supported by the one hundred and sixty acres, then each person would have a larger share than in the homestead with sixty acres to three people. Chart III shows the population per square mile for United States as compared with some of its rivals. Although our population is more numerous than any of our competitors (see chart II) the overwhelmingly larger area of this nation with corresponding natural wealth means that the chance for the individual here is great. Only our smaller states with the largest masses of people approach the density of population of the rival nations. New Jersey has a density of 377; Massachusetts, 418; Rhode Island, 508. There is a period in the growth of a country in which an increasing population does not mean a lessening of opportunity. This comes about through the fact that with greater numbers a larger sub-division of labor takes place, which in turn occasions new ways of earning a living. It is only when sub-division has reached nearly its maximum that the pressure of population upon resources begins to be felt. After the point has been attained, further increase in numbers would mean competition for jobs and the lowering of the price of labor. Then the only relief is a limitation upon population or emigration to newer lands. The larger a country is, and the more natural wealth it possesses, the longer it will take to arrive at this end. Although it is more than three hundred years since men began to draw upon the resources of our country we have only recently begun to feel the pinch of population and that only in a few special places.

Area and population are general terms, and, although interesting, are not conclusive evidence as to the opportunities to be found

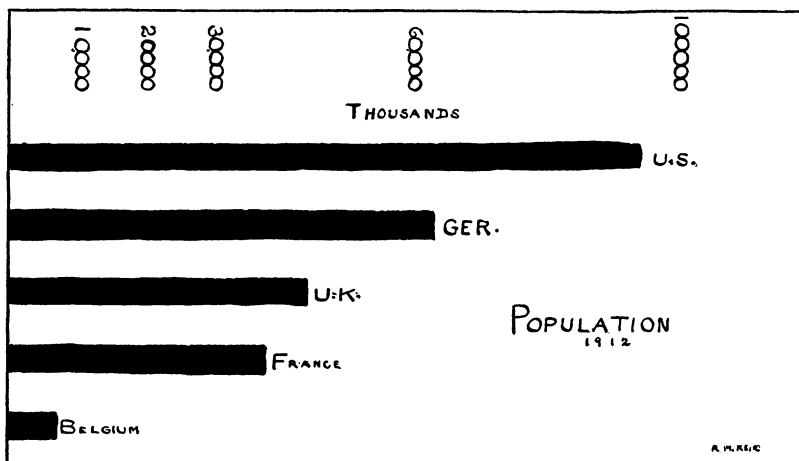


CHART II

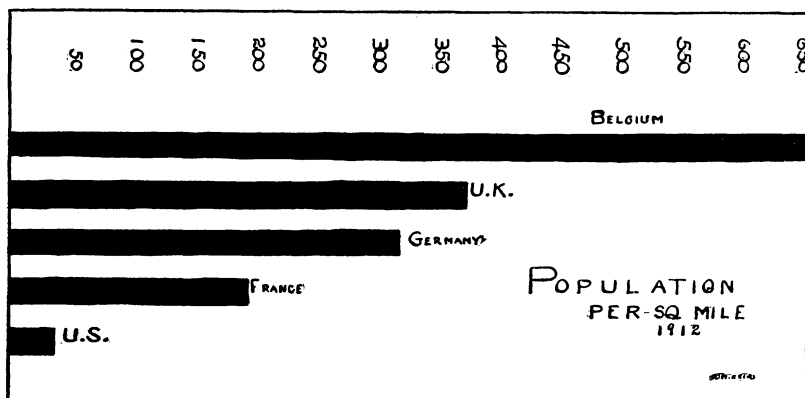


CHART III

in United States. When you turn to a more specific study of our wealth the agricultural group is the one to be considered at the outset. Wherever it is available soil is the first resource to be exploited. That is because man's primary needs of food, clothing and shelter can be supplied by the soil alone. If life is sustained by mining or manufacturing, some one, somewhere, must be at work tilling the soil to produce food and the raw materials for clothing. Therefore agriculture is fundamental whereas mining and manufacturing are secondary. Manufacturing is in reality founded upon poverty and not upon wealth. People who can gain a living easily from nature will not undergo the rigor of a factory régime. A rich land prevents the development of occupations which gain recruits only through compulsion. As an example, so far as protection, natural harbors and access to the interior are concerned, Chesapeake Bay ought to be the seat of a thriving commerce. The natural fertility of the land around the bay, however, has caused people to turn their backs upon the water and to develop the soil. With so much of the total area of our country fit for farming and with the variety afforded by the extent of our boundaries, it is not surprising that agriculture has played so important a part for so long a time in our development. A nation can exist by trade and commerce and can buy its food and raw materials from abroad, but such a nation is subject to sudden collapse if anything destroys or interferes with its only means of livelihood. An example is England's present necessity. A nation is fortunate that has at all times sufficient farm area to support itself. Forty-six per cent of the entire land mass of United States is in farms. As population increases an inventive people may contrive novel ways of sustaining life, but it usually occurs that the new methods of livelihood make a demand upon land in the ultimate. The possession of large amounts of land then is well nigh indispensable. In this essential United States stands preëminent among nations. Charts III-A and III-B bring the fact more clearly to the fore.

There are certain crops that are raised by all the leading nations. Wheat is the one which receives the greatest amount of attention. United States stands above all others in the total amount of wheat produced (see chart IV). Our harvest is more than a third greater than that of Russia, our nearest rival. We have more than enough wheat for our own people, so export 12 per cent

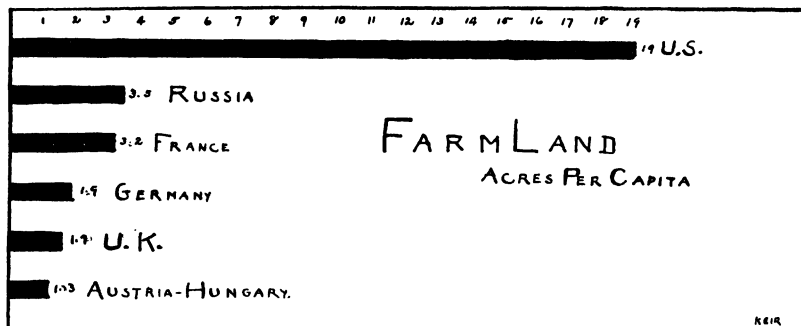


CHART III A

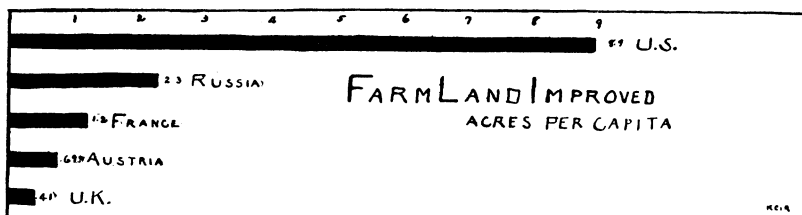


CHART III B

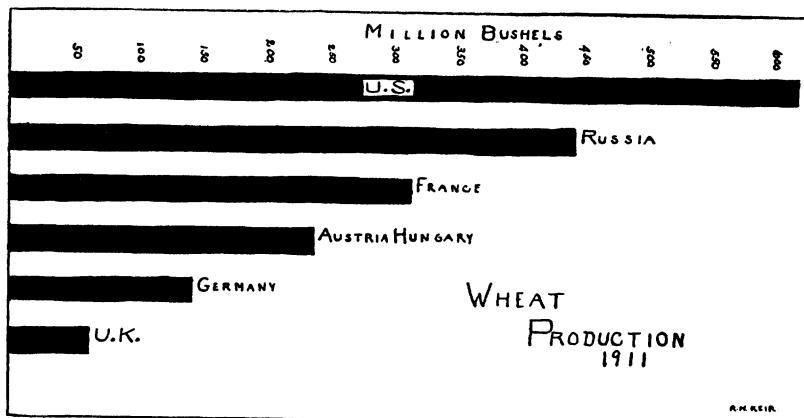


CHART IV

of our crop to help feed other nations whose wants are greater than their supplies (see chart IV-A). Although there is a closer competition in growing of oats (chart V and V-A) we lead in that crop also, but by a smaller margin. In barley (chart VI) Russia overtops us but we follow behind her and surpass the rest of the field in gross production. In bushels per capita (chart VI-A) the showing for United States is not as good as that of Europe. So far as the other two common crops, potatoes (chart VII and VII-A) and rye (chart VIII and VIII-A) are concerned the tally for our country is not so favorable, as is shown. Both of these crops are signs of poverty. Rye grows on poor land and potatoes give large yields. If a nation shows much farm area devoted to them it proves that population is pressing heavily upon the soil.

These charts do not adequately portray the agricultural supremacy of United States or the great source of wealth the farm is to our nation. The crops so far mentioned while common to the leading nations are not the most important ones in the United States. Even the much vaunted wheat is of secondary importance. If measured by value, wheat ranks fourth among our farm harvests. Corn is by far our greatest agricultural resource (see chart IX and IX-A). An area half as large again as Italy and nearly as extensive as France or Germany is devoted to this cereal. Three-fourths of all the corn raised in the world is upon American farms. In acreage corn is more than twice as important as our own wheat although our wheat crop is the greatest in the world. The reason that the majority of people slight the value of corn as a resource is because so much of it is consumed where it grows. It is not so much an article of human food or of international commerce as is wheat. Although 12 per cent of our wheat crop goes abroad, only 1 per cent of the corn leaves our shores. Since foreign nations do not bid for corn its vicissitudes do not make reading matter for newspapers, so the extent to which it influences our national welfare is little appreciated outside the corn belt. Animals on the farm eat the corn so it is not so valuable an article of freight for railroads and steamers as is wheat. There are not such great elevators for corn at shipping points to excite comment, as there are for wheat, so the place of corn in our economic life does not attract attention. It is the greatest American crop and it is distinctively an American product for outside of our confines it is little known to farmers.

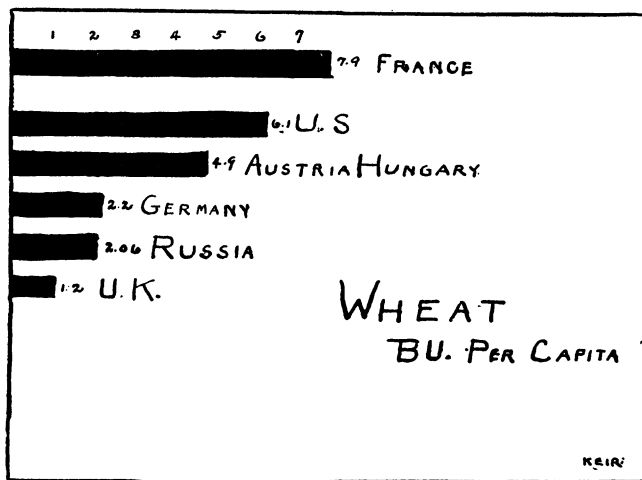


CHART IV A

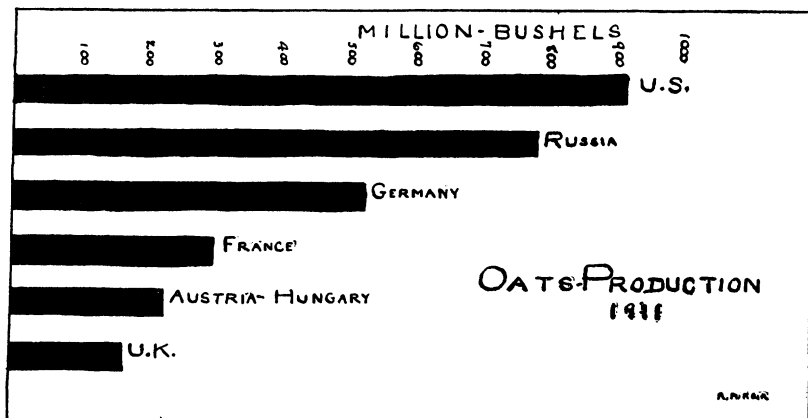


CHART V

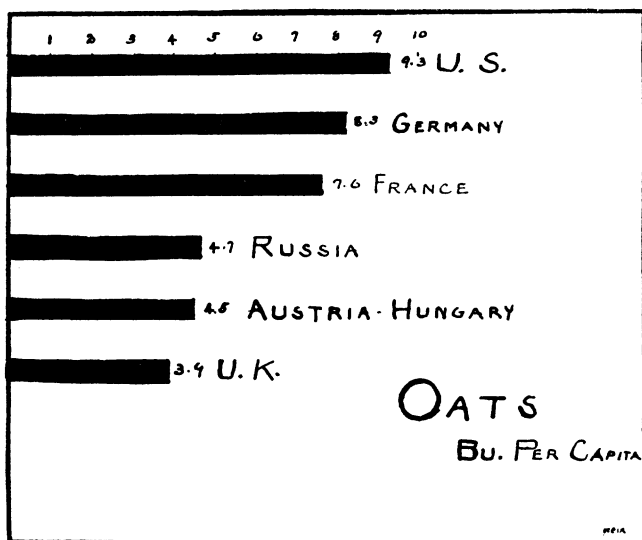


CHART VA

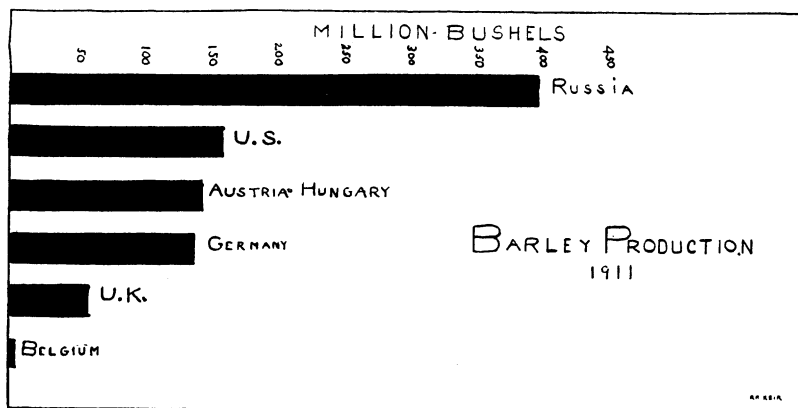


CHART VI

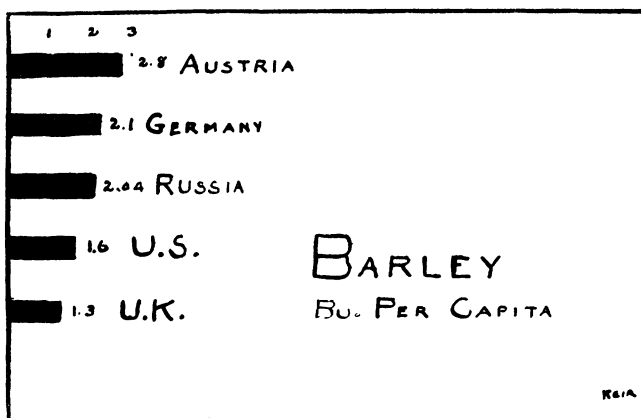


CHART VIA

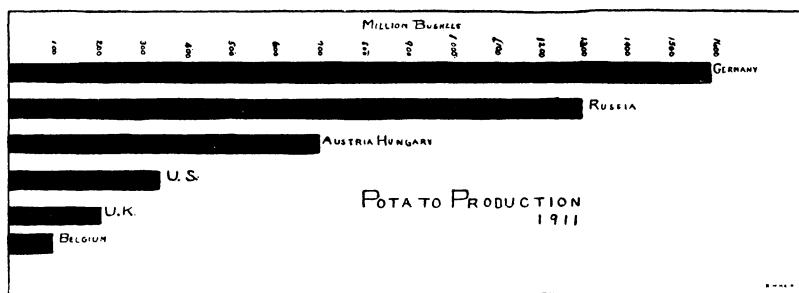


CHART VII

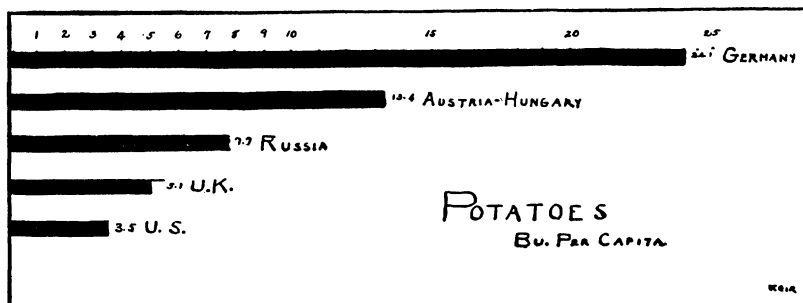


CHART VII A

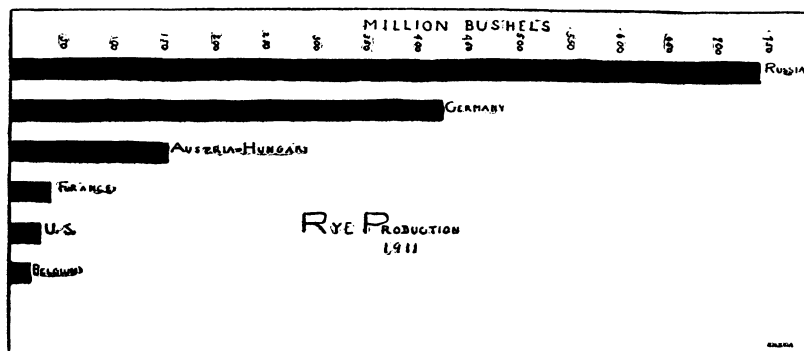


CHART VIII

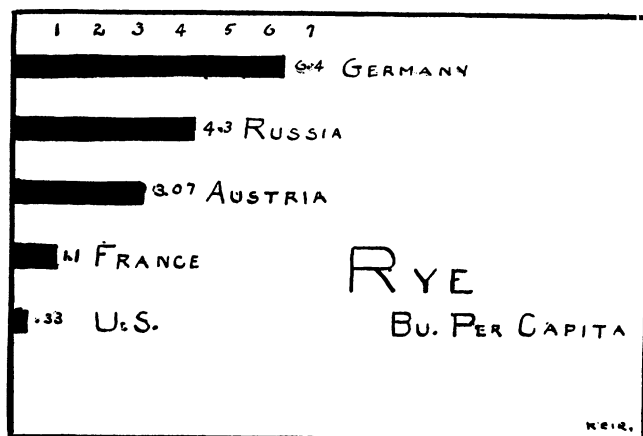


CHART VIII A

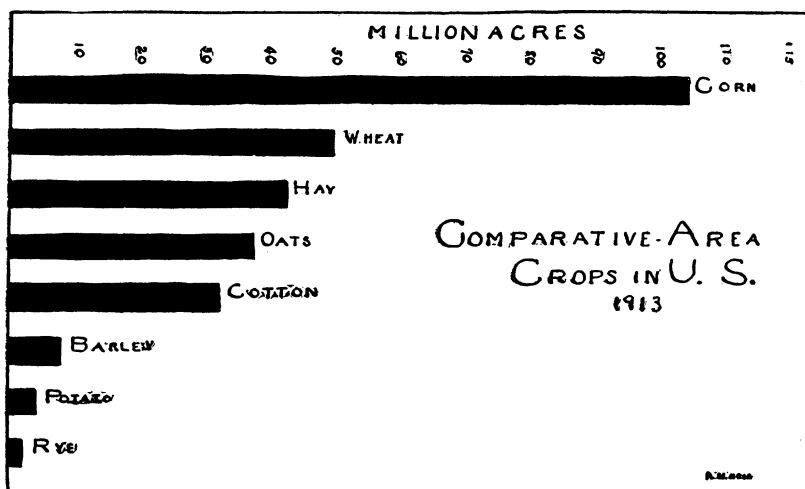


CHART IX

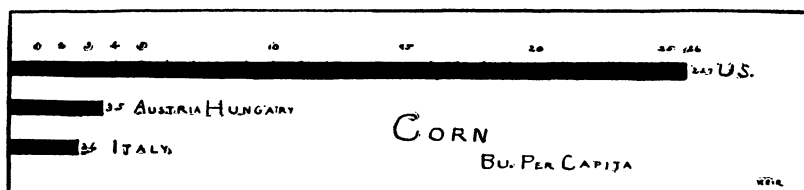


CHART IX A

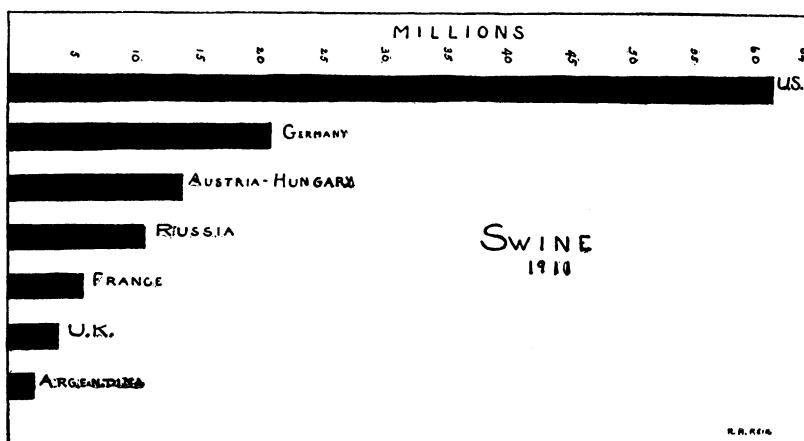


CHART X

Next in value, but not in amount, to corn, stands hay. Aside from wheat, which is next to corn in number of acres devoted to it, the two chief crops of United States are hay and oats. Corn, hay and oats are not foods for people but for animals. Our predominance in these three crops explains why we have been able to be exporters of meat for so many years. Especially significant is the relation of the corn crop to the number of swine in United States (chart X). There are more than three times as many swine in our country as are found in Germany, our nearest rival. Pork products are an important article of diet in America. Our great resource in pork animals enables us to vary our tables with the most beneficial results. Both hay and corn are used to fatten cattle for market. Despite the hue and cry over the lessening resource in cattle our country leads in number of heads by a wide margin (chart XI). It is fortunate that our resource is so large for our demand is even greater and we import meat animals for our use. This particular case is one illustration wherein despite the vastness of our resource the wants of our population have almost caught up with it. The charts X-A and XI-A showing the number of head per capita bring out the reasons for our position in the meat industry.

Some sheep are fattened on farms but our largest flocks are found on the great ranges of the southwest and northwest. Eastern people having witnessed or read about the decline in sheep raising in America have become imbued with the idea that we are a nonentity in this business. As a matter of figures we are among the world's leaders, distancing even the United Kingdom. Our great resource, however, is balanced by a great demand and so produces relative scarcity as is portrayed in chart XII-A.

Our animal industries are closely related to our great agricultural resources found in the three crops of corn, hay and oats. There is another crop which, like corn, is distinctively American. That is cotton. Nearly two-thirds of the world crop grows in Americal soil. Wheat and cotton are our two agricultural exports. With the money obtained from them we pay our bills abroad. We have almost a monopoly in cotton raising, so the factories of Europe are forced to turn to us for their raw material. That puts them upon a most insecure basis and has led to attempts to obtain cotton elsewhere. On the other hand our own manufacturers are assured of a sufficient supply of raw material. No matter what happens

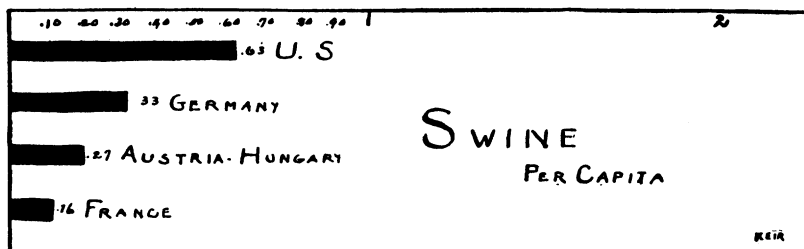


CHART X A

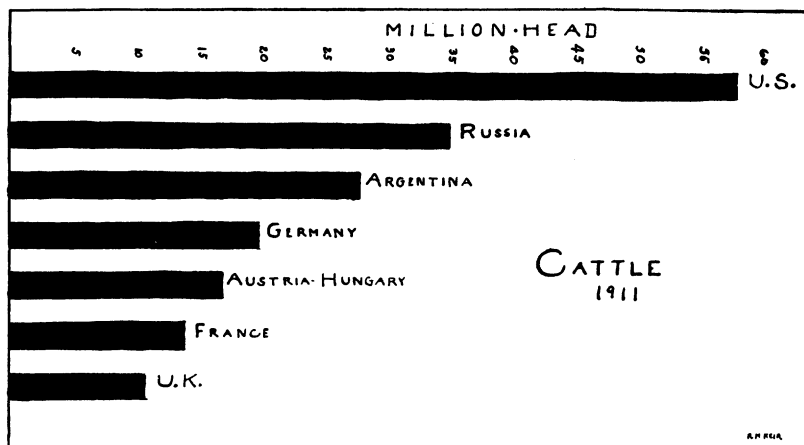


CHART XI

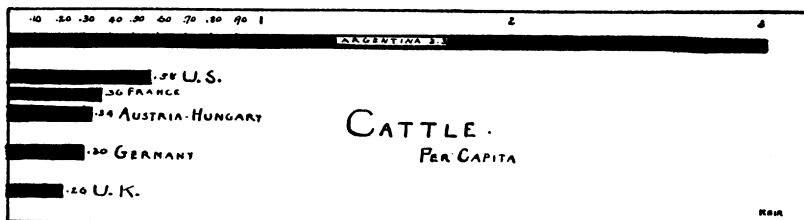


CHART XIA

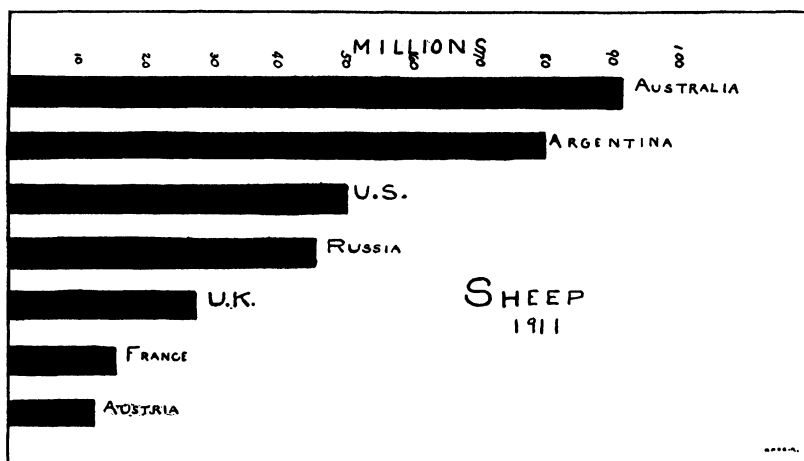


CHART XII

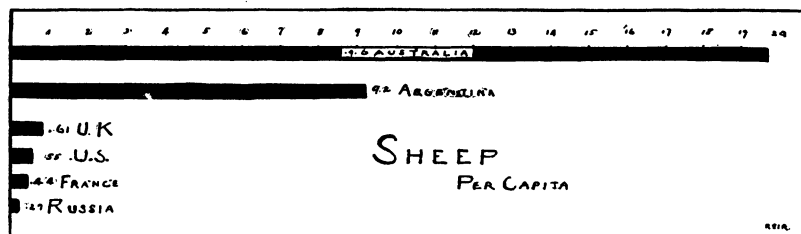


CHART XIIA

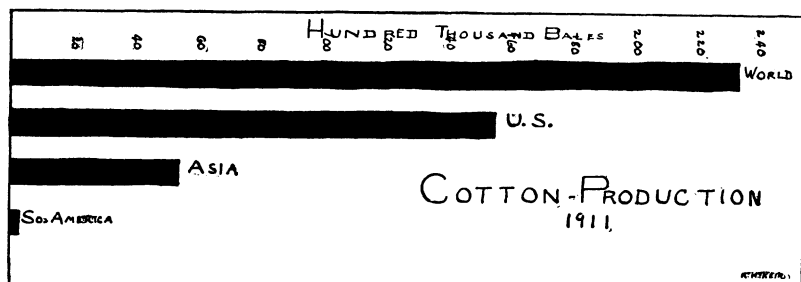


CHART XIII

in the rest of the world, American cotton manufacturers need not fear a curtailment of business because of lack of substance upon which to work.

In corn, wheat and cotton the farms of United States possess a resource that places the nation on a firm basis both in regard to food and crude stuff for our factories to manipulate.

Unless new lands are constantly available, farming cannot long continue except some means of restoring to the soil those elements of plant food taken from it by successive harvests is discovered. Of all the things growing crops need, those most often lacking in the ground are potassium, nitrogen and phosphorus. At present Germany supplies the world with potash because she has vast deposits of rock from which this element may be easily obtained. But we are just learning to be independent of Germany by utilizing the kelp that grows along our shores in the place of potash rock. For years Chile held the monopoly of the nitrates needed by agriculturists. The need for substitutes has produced them. We now know that certain plants have the power to extract nitrogen from the air and secrete it in their roots. Bacteriologists have aided farmers also by showing that minute organisms have the same power of making use of the nitrogen in the air. Finally man himself can take toll from the large supplies of nitrogen in the atmosphere, separating it by means of a powerful electric current. Our large resource in water power will enable us to generate current so cheaply that we can obtain nitrogen from the air at low enough price to sell it as fertilizer. The last of the three essential elements for soil fertility is phosphorus. No adequate substitutes have yet been found for phosphate rock. In this resource United States stands almost alone. Before 1906 our own farmers derived phosphate from Florida, Tennessee and South Carolina. Between 1867 and 1913, forty-five million tons were taken from these three states. It was estimated that only fifty-eight million tons remained. The only other available sources of phosphorus were in Tunis, Belgium and France. In 1912, three million tons were taken from our deposit whereas Tunis produced only one million and France and Belgium together but half a million. So it was a decidedly good stroke of fortune that gave to United States by the discovery of new fields in the west, an enormous new supply of phosphorus. The estimates of the western resource place it as immeasurably

greater than all known deposits in the world. There are about one-half billion tons of high grade rock in sight. As yet this rock does not influence the market because of its newness, the lack of railroads, the high cost of transportation across the continent, and the remoteness of the resource from the places where it would be used. Eventually, however, with the exhaustion of our southern supply, not only the United States but the whole agricultural world will have to draw upon our west for this most crucial element in soil fertility. In consequence United States not only is wealthy in farm lands per capita but also owns the means to keep the fields productive.

Forest resources are related to agriculture. Farmers' woodlots comprise 95 per cent of the available wood supply east of the great plains. In our early history forest resources were so abundant as to be a menace. Trees occupied the ground needed for farms. Instead of being regarded as a thing of value a tree was looked upon as a nuisance to be eradicated. So forests were ruthlessly butchered to make way for plows. Later when lumbering companies began operations, so vast were the stretches of trees that no pains were taken to be frugal in the cutting, and much unnecessary waste occurred. The oldest, most thickly settled portions of the nation have seen a positive elimination of forest resources because naturally the trees nearest to market on easy transportation routes would be cut first. As a result only 65 per cent of the original forest now remains. This present area is compared to those possessed by the leading European nations in chart XIV. The proportion forests bear to our total land area is shown in chart XV. The careless manner in which we have used good wood for temporary articles contrasted with the painstaking economy in Europe indicates how much greater than theirs our timber supply has been. But even in United States we are beginning to put on the market cheaper woods for short-lived commodities, and to veneer high grades instead of employing solid pieces. We have not exhausted our supply, but one or two object lessons have taught us that undue prodigality does not pay.

Turning from agricultural and forest resources to those needed for manufacturing, let us consider the raw materials we possess and some of the sources of power necessary to turn the raw materials into finished products. Some of the crude stock such as cotton,

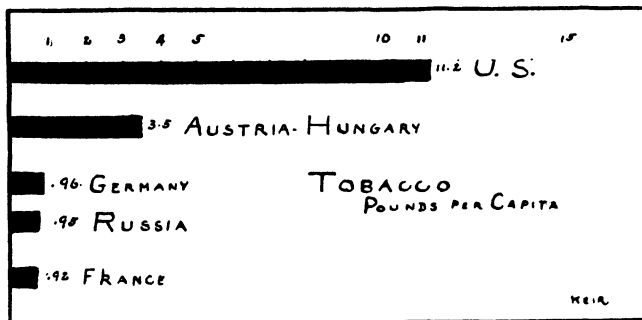


CHART XIII A

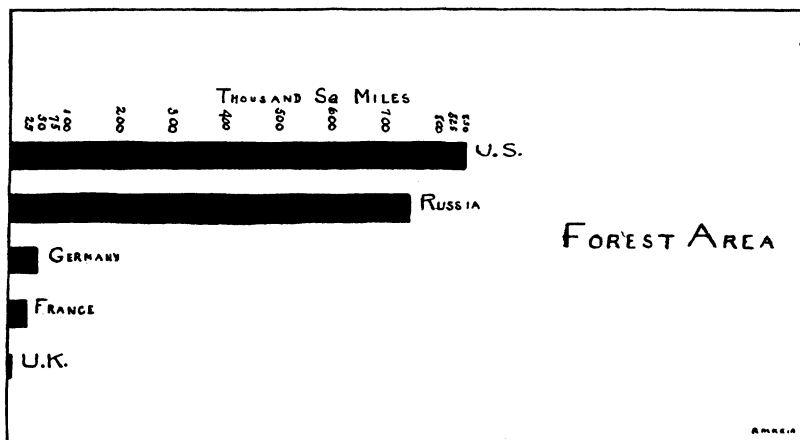


CHART XIV

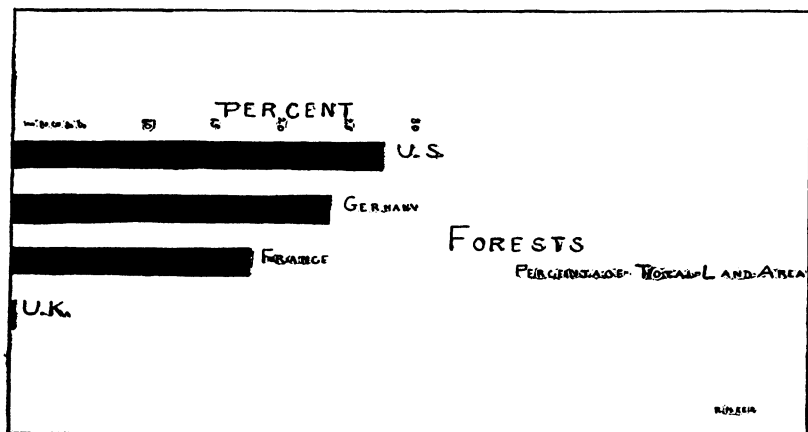


CHART XV

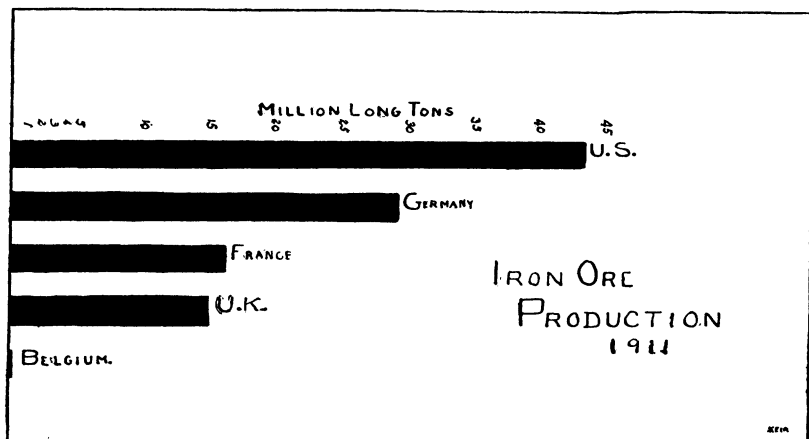


CHART XVI

flax, wood and wool for factories comes from the farms. These have already been included in the discussion of agriculture. Therefore let us review the mineral raw materials found in United States.

The chief mineral of the world not used for power is iron ore. The value of iron ore deposits depends on their availability and composition. Almost seventy-five per cent of our ores are in the Lake Superior region and therefore can reach all points along the shores by the cheapest water transportation. Special vessels have been built for the carrying of the largest quantities of ore across the lakes in the quickest time. Iron producers along the waterfront can unload their raw materials right on their own premises. Pittsburgh is favored by the lake transportation also because the longest part of the haul for her iron is by water. The eastern producers are handicapped by an overland route from the lower lake depots and so tend to import their raw materials from Cuba or Spain with water carriage rather than use American ores. However we have no great advantage over Great Britain and Germany in the matter of availability of ore deposits. The English iron producers are near the coast and can get their ores from near at hand or like our eastern iron makers may import it by water from abroad. Germany too can take advantage of the Rhine River for water transportation. Our chief advantage does not rest so much upon the availability of the ore deposits as it does upon their extent and composition. The size of our fields in comparison with our foreign competitors is shown by chart XVI. If iron ore contains phosphorus, difficulty is met in its reduction and the maintenance of a high quality of iron. Fortunately, our deposits, except the southern ones in Alabama, are nearly free from this deteriorating agent. The percentage of iron in the ore and the ease of mining it are two other important considerations. Our Lake Superior ores are among the richest in the world and are so near the surface and so easy to mine that steam shovels can be employed for the work. This has an important bearing upon their value to our blast furnace operators because it makes the raw material cheap and is an offset to labor cost, which is higher here than abroad. The United States is the greatest iron maker in the world, and her industry rests upon domestic ores. The amount of ore import into our country is comparatively small, amounting in 1913 to about four per cent of that mined within our own bounds. Both England and Germany

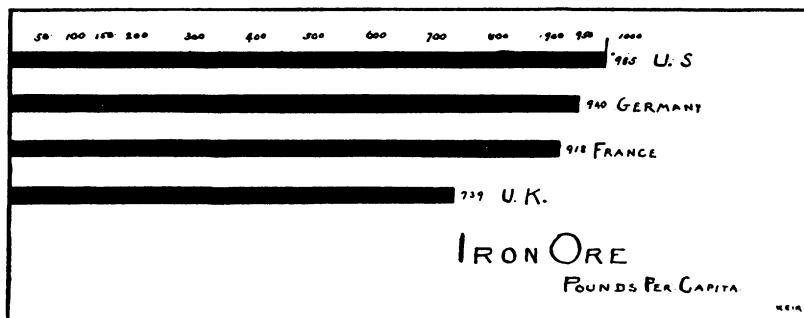


CHART XVIA

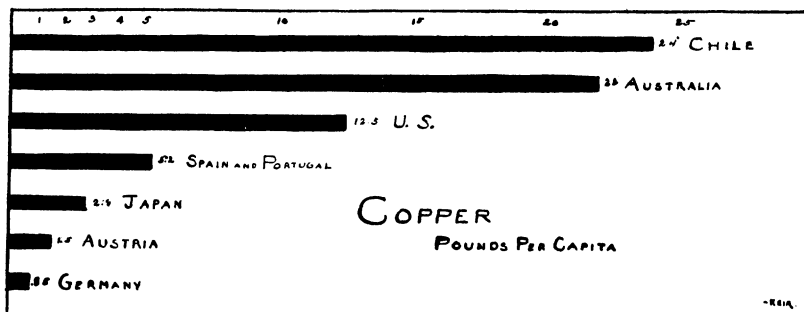


CHART XVII

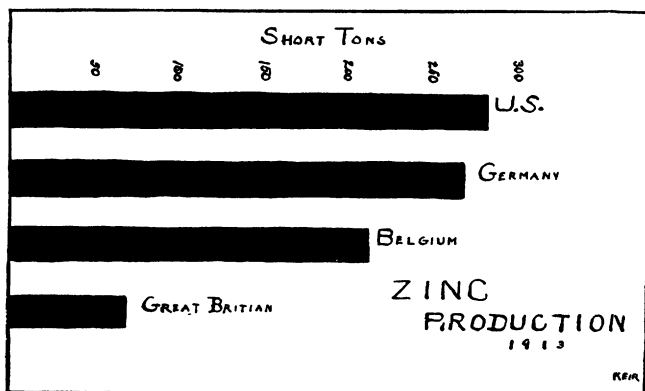


CHART XVIII

are unable to produce enough ore for their own furnaces and are forced to import large amounts.

Copper is derived from copper ores, and as a by-product from many other ores such as lead, gold, silver and zinc. We cannot estimate the amount of our copper resource as accurately as our iron or coal. The only way we may measure our wealth in copper against the rest of the world is by figures of production. Fifty-five per cent of the copper used by the people of the whole globe comes from United States. We have no serious European rival. Spain and Portugal receive the greatest credit in continental production but even these have but one-tenth of our production. Japan competes with us but on a par with Spain and Portugal. Australia falls somewhat below these three. Nearer home we have the production of Mexico and Chile with which to contend. Of all of those working with the same metal, Mexico comes closest to our production, but whereas Mexican output is measured by a hundred million pounds ours reaches over a billion. About half of the copper refined by the world is used for electrical apparatus. Half of the remainder forms one of the raw materials for brass. Since both of these are essential to our economic welfare, our wealth in copper is a cause for congratulation.

Lead and zinc are not so important as resources or as widely useful in manufacture, as iron and copper. For instance, the chief use of lead is for the manufacture of paint. One-third of the lead produced is used for this purpose. Compared to the multifarious uses of iron, lead sinks into insignificance. Nevertheless, it is a resource of considerable value. Zinc finds its largest market as a protective covering for iron that is exposed to weather. A large amount of it forms one of the raw materials for brass. Charts XVIII and XIX show the importance of lead and zinc as resources in the leading countries of the world. Thirty-two per cent of the world's lead and 29 per cent of the zinc come from our country.

Since 1830¹ the United States has been an important source for the world's supply of the precious metals, gold and silver. Africa, United States and Australasia are in a class by themselves in the production of gold. No other part of the world's surface even remotely approaches these three leaders. Africa supplies 45 per cent, United States, 20 per cent and Australasia, 11 per cent.

¹ 1830, silver; 1850, gold.

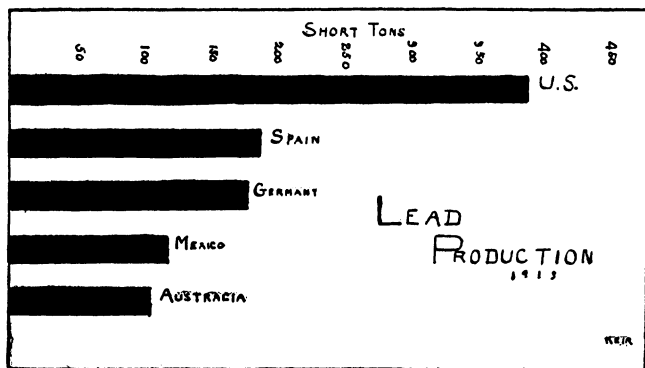


CHART XIX

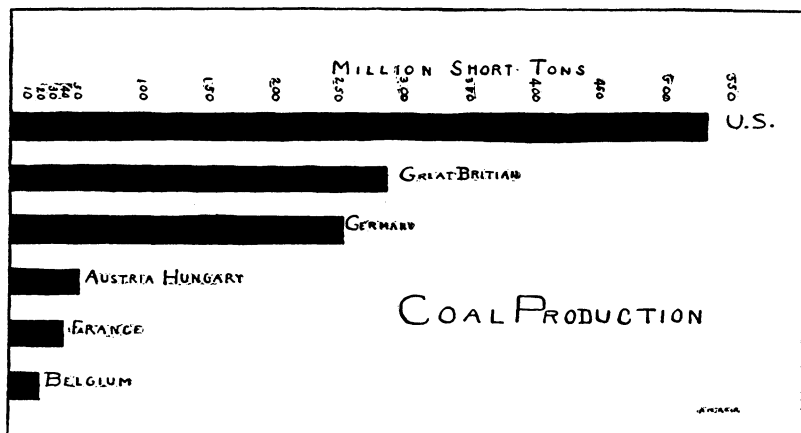


CHART XX

In manufacturing, power is just as important an element as the possession of raw materials. In some industries the availability of power decides where the crude stock shall be made into finished products. Thus the presence of fuel determines the location of iron manufacture and not the ownership of iron ore. Nations which have within their confines quantities of ore without fuel are not iron makers but ore exporters. For example, Spain and Cuba own deposits of ore but since they lack fuel send the ore to England, Germany and United States for manipulation.

The principal source of all mechanical power at present is coal. All of the great nations have large coal fields. Perhaps it would not be too much to say that they would not be great if they did not hold coal. Coal is the most important of all mineral products, even surpassing iron in that respect. Belgium has a place among manufacturing nations that is astonishing if her area and population only are considered but is easily understood if one looks at her coal resources (see chart XX-A). Since coal is so all-important, it is comforting to Americans to discover that 60 to 70 per cent of the known coal deposits of the world are within our territory. It is a cause for additional gratification to learn that besides being greatest in amount our coals are of the highest known quality. Quality is determined by heating capacity. The higher the percentage of carbon in coal, the greater will be its power to throw off heat. The harder coal is, the greater will be its proportion of carbon. The anthracite or hard coal deposits of America are by far the most important of any in the world. Only in Wales is there a coal that approaches the quality of the anthracite found in United States. Even these Welsh coals are not nearly so good as ours and would be classified here as between our anthracite and soft (bituminous) coals. Although we have the largest area of anthracite in the world, except possibly China, the actual number of square miles in the anthracite fields is puny compared to our own bituminous or soft coal deposits. In anthracite we have less than one-thousandth of the area we ourselves possess in bituminous. The actual figures are 496 square miles for hard coal and 500,000 square miles for the soft variety. Although we have a virtual monopoly of the anthracite deposits of the world, we are by no means so fortunate in regard to bituminous. Despite the fact that all our great rivals own large fields of coal, none of them is of such vast extent as ours. Chart

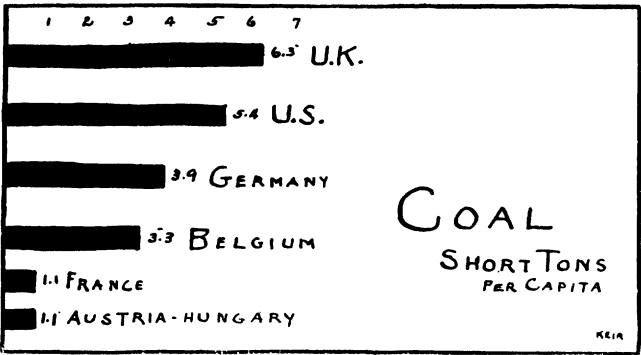


CHART XXA

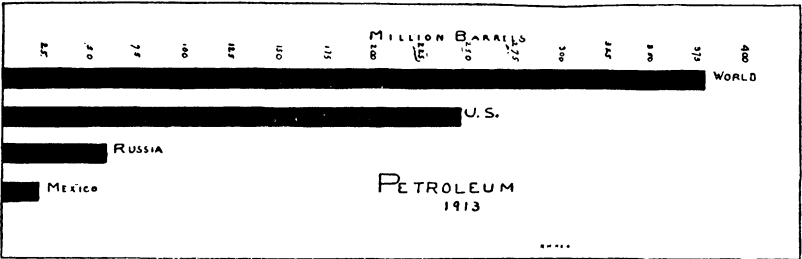


CHART XXI

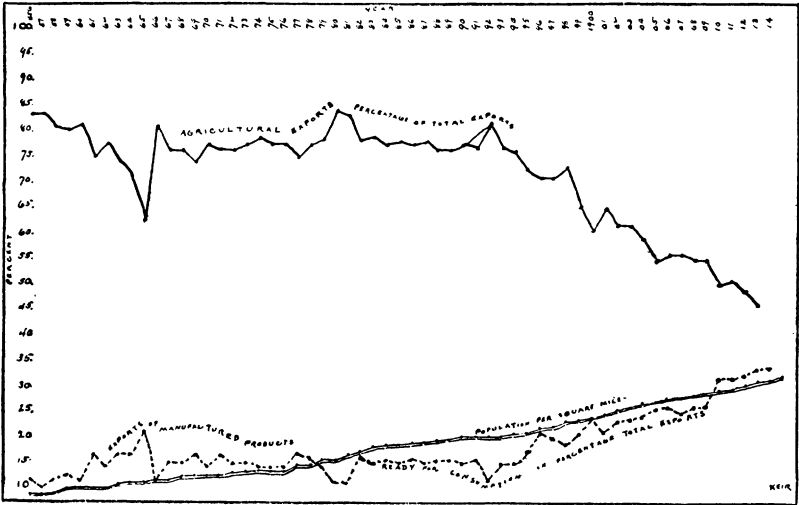


CHART XXII

XX illustrates the supremacy of United States in this most significant source of power. It is estimated that we have 500,000 square miles of coal lands. This area about equals the combined land mass of Germany (208,795 square miles), France (207,129 square miles), and the United Kingdom (121,316 square miles).

Next to coal the most important mineral power producer is petroleum. About one-fourth of all the oil taken from the ground in United States is used for this purpose. As United States furnishes the greatest tonnage of coal, so with petroleum, we contribute the largest number of barrels to the world. In 1913, 65 per cent of the whole supply came from our wells. Our only serious rival in Europe is Russia. Her wells on the Caspian Sea have threatened our supremacy at times, and even for a short period exceeded the output of United States. Russia led the world between 1898 and 1902. Since 1902 new discoveries have constantly increased the American yield until in 1913 Russia our nearest competitor produced less than one-fourth as much as we did. The wells of California alone, our largest field, supplied over a third more than Russia.² Whereas we produced 65 per cent of the world's total in 1913, Russia reached only 15 per cent. The next nation on the list is Mexico with 6 per cent. The United States has given to the world more than one-half (59 per cent) of the oil used since its discovery.

Natural gas is closely associated with petroleum. It is largely used in the regions where it is found and is particularly valuable to steel, glass, and cement mills. The amount consumed industrially in 1913 was worth thirty-seven million dollars, but, since no other nation employs natural gas for industrial purposes, we have no basis for comparison. The area covered by gas wells is more than twenty times as extensive as our anthracite coal fields. Wherever it can be obtained, natural gas is the most ideal fuel there is. All others must be turned to gas before they are burned most efficiently. No other gas fuel is so pure nor so rich in heat value as this one. Abundance makes gas cheap while quality causes it to be most desirable. As a result mills located in natural gas regions are doubly blessed.

At the beginning of this paper it was pointed out that opportunity does not depend entirely upon resources but also upon the

² Russia, 60,935,482 barrels; California, 97,788,525 barrels.

number of people who utilize them. If the resources decline while the population remains stationary, opportunity also diminishes. In case population increases while resources remain stationary, again does opportunity become less. Should population grow at the same time that resource decreased, opportunities vanish rapidly. It is this last condition that is facing United States. While it is true that we are remarkably wealthy, it is also a fact that our natural wealth is being depleted at an astonishing rate. Farm lands are worn out by incorrect cultivation and erosion. Forests have been wasted by reckless cutting. Mineral wealth has been thrown away by careless mining. At the same time, population has been steadily increasing. Unless a halt is called upon the waste and population checked we will no longer be the Land of Opportunity, but our people, like the citizens of European countries, will have to seek fortune in new lands opened elsewhere.

That we need our raw materials at home is shown by chart XXII. Up to the year 1892 our exports were chiefly farm products. Beginning then and continuing ever since the percentage of agricultural exports to the total has rapidly declined while at the same time and for the same period of years manufactured goods ready for consumption have comprised a larger and larger proportion of the things we have sold abroad. Today the percentage is increasing more rapidly than the increase in population. With a corresponding falling off in farm exports it follows that greater numbers of men are working in factories. Two results should follow. We ought to pay more attention to conserving the wealth we have, and our efforts to gain foreign trade ought to take a new direction. We should seek to sell manufactured goods and keep our raw materials at home.